GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:128
ANSWERED ON:26.02.2008
INDO US TRADE
Owaisi Shri Asaduddin

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been a big leap in the Indo-US trade ties;

(b) if so, the details thereof;

(c) whether India's foreign trade investment into US in 2006-07 stood at $ 2 billion more than twice the value of American FDI ($ 850 million) flowing into India in the same period;

(d) if so, the reasons therefor;

(e) whether the US export to India has reached 72-75 per cent while India's export grew only at the rate of 40-42 percent; and

(f) the steps taken or being taken by the Government to balance the trade between the two countries?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a),(b) & (e) The details of the Indo-US merchandise trade for the last three years, i.e., 2004-05, 2005-06 and 2006-07 are given below:

India-US Merchandise Trade
(value in US $ million)

S.N.	Description	2004-2005	2005-2006	2006-2007
I.	India's exports to USA	13,765.75	17,353.06	18,851.42
II.	Percentage growth in India's exports exports to USA	19.81	26.06	8.63
III.	India's imports from USA	7,001.35	9,454.74	11,726.96
IV.	Percentage growth in India's imports from US	39.06	35.04	24.03
V.	Total Trade	20,767.10	26,807.81	30,578.38
VI.	Percentage growth in Total Trade	25.67	29.09	14.07

VII.Trade Balance + 6764.40 + 7898.32 + 7130.04

(Source: DGCI&S, Kolkata)

(c)& (d) According to a FICCI - Ernst & Young report on " Direct Investments in the United States of America by Indian Enterprises", the total value of outward investments from India to the US in 2006-07 amounted to more than USD 2 billion. US Foreign Direct Investment in India during 2006-07 was US $ 855.78 million. Foreign Direct Investments are market driven and based on business analysis by the concerned Companies.

(f) India-US merchandise trade statistics reveal that trade balance between the two countries is in India's favour. Regular bi-lateral discussions are being held under Indo−US Trade Policy Forum and India-US Commercial Dialogue to further boost bi-lateral trade and investment between the two countries.